

UNITED STATES DEPARTMENT OF AGRICULTURE

WAR FOOD ADMINISTRATION

AGRICULTURAL ADJUSTMENT AGENCY

North Central Division

Washington 25, D.C.

A
COUNTY COMMITTEE INSTRUCTIONS FOR PURCHASE OF CORN
OFFERED TO COMMODITY CREDIT CORPORATION THROUGH CONTRACTS1. General

In order that the War Food Administration may secure a stock pile of corn which may be used for any war emergency that might arise, county committees of the Agricultural Adjustment Agency in designated counties will purchase corn by contract for the account of Commodity Credit Corporation.

The Corporation will enter into contracts with producers of corn in 125 designated counties (list attached) whereby it will pay, at the time the contract is signed, the applicable county loan value times the number of bushels contracted. At the time the corn is shelled and delivered to the designated delivery point, the Corporation will pay to the seller an amount equal to the applicable OPA ceiling price per bushel (at the time of delivery) for the grade and class delivered, times the number of bushels delivered, less the amount advanced on the contract. Only corn from cribs under contract may be delivered. Only yellow ear corn in good storage, which meets all requirements for the 1944 corn loan, will be accepted for contract. The seller will agree to shell and deliver the corn to the Corporation at the end of the marketing year, September 30, 1945, or upon 30 days written notice from the Corporation. The contract shall be completed in triplicate and all copies returned to the county office when signed by the seller and the person negotiating the contract on behalf of Commodity Credit Corporation. Only the entire contents of a crib or cribs will be acceptable for contract.

Title will pass to the Corporation at the time the contract is signed by the seller and approved by the person negotiating the contract on behalf of the Corporation. The Corporation shall, from the time title to the corn passes to it, have the risk of loss of or damage to the corn during the time it is kept in storage facilities furnished by the seller if such loss is due solely to an external cause other than vermin or negligence of or conversion by the seller.

In the event the producer thinks that the corn is going out of condition before delivery is called for by the Corporation, he shall notify the county committee which shall inspect the crib and obtain probe samples. If, in the opinion of the county committee, the corn is going out of condition, they shall immediately notify the seller to deliver the corn to the Corporation or pay Commodity Credit Corporation the amount advanced on the corn. If the producer elects to deliver the corn and the corn grades lower than No. 3, the county committee will request from the Regional Director of Commodity Credit Corporation the

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(over)

market value for the grade of corn delivered. Upon receipt of the market value the county committee shall notify the seller, and, if the seller does not wish to sell the corn to the Corporation, the Corporation will release the corn to him upon payment to Commodity Credit Corporation of the total amount of the advance payment in the form of a bank draft, cashier's check, certified check, or money order in favor of Commodity Credit Corporation.

Sight drafts on Commodity Credit Corporation will be issued by a member of the county committee for the payments as directed by the sellers on Contracts of Sales. The type of draft to be used shall be in such form as prescribed by Commodity Credit Corporation.

II. Contracting for Corn

Members of the county committee, or persons selected by the county committee and approved by the fieldman, shall, after the county has received from the State committee the amount to be contracted, contact and offer a contract to producers. They shall negotiate a contract on behalf of the Corporation with those producers who desire to sell their corn to the Corporation. Producers who pledged corn and delivered or contracted corn under the 1944 Corn Purchase Program should be contacted first when contracts are being offered. The person authorized to contract for the Corporation shall explain to the producer the reasons for contracting and the provisions of the contract.

It should be explained to the producer that final settlement for the corn will be made on the grade and class delivered, as agreed between the warehouseman receiving the corn and the seller, except in those cases where corn is to be stored in CCC bins. (If corn which grades lower than No. 3 is delivered, settlement will be made with the seller on the basis of the market value, as determined by the Regional Director of Commodity Credit Corporation.) If the seller is not satisfied with the price offered for such corn, the corn will be released by the Corporation to the seller upon refund by the seller of the amount of money advanced.

The seller and person delegated to contract with the seller shall measure the crib to determine the amount of corn to be placed under contract and examine the condition of the corn storage structure. The storage structure should be such that it will afford safe storage of the corn. The procedure and instructions issued for the 1944 Corn Loan Program (Commodity Loan 2, Part I, Supplement No. 2 (NCR), 1944 Corn, issued November 20, 1944) shall be used for determining bushels of corn in a crib. The Farm-Storage Work Sheet, Commodity Loan-3(A), shall be completed in accordance with inspector's instructions and returned to the county office for computation. A representative sample of the corn (at least five probe samples from different parts of the crib) shall be secured by the seller and person authorized to contract. Such sample shall be forwarded to the county office, together with all three copies of the signed contract and the work sheet. The sample of corn secured shall be sent to a laboratory for grade analysis (M. M. Keck, Champaign Grain Inspection Department, 316 South State Street, Champaign, Illinois). An Evernormal Granary Seal, CL-1, shall be placed on the crib containing the contracted corn. Seal numbers shall be followed by the letter "P" to indicate the corn has been purchased under the program.

In completing the Contract of Sale the individual contracting sellers should enter the name of the county and State in the upper right hand corner of the contract, enter the crib seal number, and, with the assistance of the seller, determine to whom payment is to be made and enter the amounts to be paid each payee except for the amount due the seller. The amount due the seller shall be entered by the county committee after determination has been made as to the amount due the seller by the county committee. He shall secure from the seller the names of lienholders, if any, and list the names of such lienholders in the space provided. He shall, with the assistance of the seller, determine to which elevators (first and second choice) the seller desires to deliver the corn and enter in the space provided on the contract. Immediately upon entry of the above information on the contract, the seller shall sign in the space provided. The person negotiating the purchase for the Corporation shall sign in the space provided and date the contract as of the date the seller signs.

Before the corn is contracted for purchase, any liens against corn offered for contract shall be waived by the holder(s) of such liens in accordance with lien waiver procedure followed in connection with C.C.C. loan programs.

III. Issuing of Sight Drafts

Before the issuance of any drafts, the county committee shall review the register of indebtedness to determine if the seller is indebted to Commodity Credit Corporation. If the seller is indebted to the Corporation, the county committee shall advise the seller that it will be necessary that such indebtedness be paid in full before the contract can be negotiated. Settlement by the seller may either be made by having Commodity Credit Corporation listed as a payee on the contract for the full amount of the indebtedness and the amount deducted from the proceeds of the sale due the seller, or by the seller submitting to the county committee a bank draft, cashier's check, certified check, or money order made payable to Commodity Credit Corporation for the full amount of indebtedness. If the seller refuses to make settlement of the indebtedness, the contract shall not be completed.

The county committee shall, upon receipt of the signed contract(s), the work sheets showing the measurement of the crib and the grade determination(s), compute the number of bushels contracted and the loan value of the corn. The county committee shall check the county record of liens to determine that all lienholders are listed on the Contract of Sale. After the Contract of Sale is completed and the eligibility requirements have been met, the county committee shall issue a sight draft(s) in favor of the payee(s) designated on the Contract of Sale for an amount equal to the determined loan value times the computed number of bushels contracted and mail or deliver the draft(s) to the payee(s). The following notation, "Total advance payment sight draft(s) issued \$____," shall be typed on all three copies of the contract and the seller's copy of the contract shall be returned to the seller with the seller's sight draft. The second copy of the contract and copy of the sight draft(s) shall be filed in the county office. The original of the contract

Receipts of corn at bin sites shall be accounted for on Commodity Loan 23-A. Upon receipt of the grade analysis from the laboratory, the per bushel value of the corn delivered shall be determined. The county committee will then complete CCC Corn Purchase Form 4 in its entirety.

- B. The county committee will, upon receipt of CCC Corn Purchase Form 4 from warehouses, fill in all information not entered by the warehouseman and determine the total value of the corn delivered. If the corn delivered is No. 3 or better, a draft will be issued in favor of the seller for the amount due. The original and one copy of CCC Corn Purchase Form 4 will be forwarded to the State committee. The State committee will review the form, and, if found correct, send the original together with warehouse receipt(s) and any refunds received from producers, where the amount of the advance is in excess of the value of the corn, to the Regional Director of Commodity Credit Corporation, Chicago 4, Illinois.

If the corn delivered grades below No. 3, the county committee shall secure the market value from the Regional Director of Commodity Credit Corporation, Chicago 4, Illinois and upon receipt of such market value shall notify the seller. If the seller desires to sell to the Corporation, the county committee shall determine the amount due the seller, if any, and issue sight draft(s) for such amount in favor of the seller. If the seller is not satisfied with the price offered for the corn, the corn will be released by the Corporation to the seller upon refund of the money advanced.

If the value of the corn delivered is less than the advance payment made by the county committee, the county committee shall collect the amount due the Corporation from the seller in the form of a bank draft, cashier's check, certified check, or money order payable to Commodity Credit Corporation and forward such collections, together with CCC Corn Purchase Form 4, to the State committee.

Any amount of corn that is shelled and delivered in excess of the amount contracted, which is part of the entire crib contracted, shall be paid for by the county committee at the applicable price.

V. Records and Reports

The person authorized to contract for the Corporation shall report to the county committee each day the estimated number of bushels of corn that have been contracted during the day for the account of the Corporation. Each morning the county committee shall telegraph the State committee the estimated cumulative total of contracted corn. The State committee shall prepare a list of the estimated accumulative bushels of corn contracted by counties each day and mail a copy of such summary to the Regional Director of Commodity Credit Corporation, Chicago 4, Illinois. The State committee shall also wire the Regional Director of the North Central Division, Agricultural Adjustment Agency, Washington 25, D. C., each day the estimated cumulative State total of corn

contracted in their State. The county committee should be instructed to stop offering contracts to producers as soon as contracts have been received in an amount equal to the county allotment. For the convenience of the representative of the county committee calling on prospective sellers, a list shall be furnished by the county committee showing names of producers who had pledged or contracted corn under previous corn purchase programs. CCC Corn Purchase Form 2, copy attached, shall be used by the person contracting for the Corporation to list sellers' names, addresses, number of cribs, and the estimated amount of corn contracted. This form should be mailed or delivered to the county office at the end of each day's work.

CCC Corn Purchase Form 3 (copy attached) shall be used to record payments for corn contracted and disbursement of funds to the payees listed on the Contract of Sale. The names and addresses of all payees on one contract shall be listed directly beneath the name and address of the seller. The amount of money each payee received shall be entered opposite his name in column 4. The data for all columns shall be listed opposite the seller's name. Columns 1, 2, 3 and 4 shall be taken from the Contract of Sale. Columns 5, 6, 7 and 8 shall be completed when CCC Corn Purchase Form 4 is received from the warehouseman. At the end of each week, while final settlements are being made, CCC Corn Purchase Form 3 shall be completed in duplicate. The original shall be forwarded to the State office and the copy retained in the county office files. Report numbers should begin with one and be numbered consecutively as each report is submitted. At the end of each week, while final settlements are being made, the State committee shall forward a county summary of the total bushels delivered to the Regional Director of North Central Division, Agricultural Adjustment Agency, Washington 25, D. C. Supplies of CCC Corn Purchase Forms 2 and 3 shall be mimeographed in the county offices.

The instructions to warehousemen for the completion of CCC Corn Purchase Form 4 are on the reverse side of the form. When CCC Corn Purchase Form 4 has been returned from the warehouseman, the original and one copy of the form will be forwarded to the State committee.

CCC Corn Purchase Form 4 shall be completed by the county committee from the Contract of Sale as follows:

Enter the Farm Serial Number in the upper right hand corner.

Column 2 - Enter bushels contracted.

Column 3 - Enter total amount advanced on contract (all payees).

Column 5 - Enter the per bushel value of the corn delivered.

Column 6 - Enter total value of corn delivered (column 4 x column 5).

Total columns 2, 3, 4 and 6.

The amount due the seller shall be determined by deducting the total of column 3 from the total of column 6. The amount due Commodity Credit Corporation, if any, shall be determined by deducting the total of column 6 from the total of column 3.

The entries made by the warehouseman shall be reviewed, and, if correct, the form shall be approved and dated by a member of the county committee.

If corn is to be delivered into CCC bins, the corn shall be inspected prior to delivery in order to determine if it is eligible corn and that the moisture content is 14 percent or less.

VI. Settlement Where the Contracted Corn is Damaged or Destroyed Before Delivery by Causes Beyond the Control of the Seller.

Corn Purchase Form 1 (1945), "Contract of Sale," provides that title to the corn passed to Commodity Credit Corporation upon signing of the contract by the seller. Upon completion of this contract the seller was advanced the 1944 loan value of the corn. There will be instances when funds are due the seller where corn is totally destroyed or damaged after the Contract of Sale was executed and prior to delivery of the corn to the Corporation. If such damage or total destruction was due solely to an external cause other than vermin, negligence, or conversion by the seller, the Corporation will settle with the seller in the following manner.

If the damage or total destruction was due to vermin, conversion, or negligence on the part of the seller, the seller shall be liable to the Corporation for the full amount of the advanced payment.

Where a crib(s) of corn was contracted and the corn is totally destroyed or damaged to the extent that it will grade sample, settlement shall be made with the seller on the basis of the grade and number of bushels of corn appearing on the contract, times the applicable OPA ceiling price, less the advanced payment.

Where a crib(s) of corn was contracted and part of the corn is totally destroyed and the remainder is undamaged, or where a part of the crib was damaged and the remainder undamaged, settlement will be made with the seller upon delivery of the undamaged corn. If the corn delivered grades No. 3 or better and is representative of the entire lot under contract, settlement will be made for the number of bushels appearing on the Contract of Sale, times the applicable OPA ceiling price for the grade of corn delivered, less the advanced payment. If the corn delivered grades lower than No. 3 and is representative of the entire lot under contract, settlement will be made for the number of bushels appearing on the Contract of Sale on the basis of the market value as determined by the Corporation for the grade of corn delivered, less the advanced payment.

In the case of damage to one hundred bushels or less, the county committee shall immediately dispose of the damaged corn to the highest bidder. In such cases the borrower shall be given an equal opportunity of bidding. If more than one

hundred bushels are damaged, the county committee shall write, or in urgent cases, wire the State committee for instructions. Information for the State committee should include the condition, grade, number of bushels damaged, best price offered, and available storage space, if any.

In all cases the seller will be required to deliver the damaged corn to the purchaser in accordance with county committee instructions. The purchaser shall forward a certified check, cashier's check, money order, or bank draft, made payable to Commodity Credit Corporation for the full value of the damaged corn to the county committee.

Any seller who has had a loss on contracted corn shall file a statement of claim with the county committee in substantially the following form:

I hereby apply for final settlement on corn contracted by me which
has been destroyed or damaged by _____ on _____
Cause Date

Signed _____
Producer contracting corn

Any amount due the seller when the settlement has been completed shall be paid by the county committee by issuing sight drafts on Commodity Credit Corporation.

The county committee shall complete Corn Purchase Form 4 and prepare a statement in triplicate of the settlement, setting forth all pertinent information in connection with the loss. The original and first copy of Corn Purchase Form 4 and the original and first copy of the county committee's statement, together with any receipts for the sale of damaged corn, shall be mailed to the State Committee.

The State Committee shall review the settlement made by the county committee and forward the original copy of Corn Purchase Form 4 and the original copy of the county committee's statement of the settlement, together with any receipts, to the Regional Director, Commodity Credit Corporation, 208 South LaSalle Street, Chicago 4, Illinois.

Counties in which the corn purchase program is effective:

- Minnesota: Blue Earth, Brown, Chippewa, Cottonwood, Faribault, Jackson, Lac Qui Parle, Lincoln, Lyon, Martin, Murray, Nobles, Pipestone, Redwood, Renville, Rock, Watonwan, Yellow Medicine.
- Nebraska: Burt, Butler, Cass, Cuming, Dodge, Douglas, Lancaster, Otoe, Sarpy, Saunders, Seward, Thurston, Washington.
- Iowa: Audubon, Boone, Buena Vista, Calhoun, Carroll, Cerro Gordo, Cherokee, Clay, Crawford, Dallas, Dickinson, Emmet, Franklin, Fremont, Greene, Grundy, Guthrie, Hamilton, Hancock, Hardin, Harrison, Humboldt, Ida, Jasper, Kossuth, Lyon, Marshall, Mills, Monona, Montgomery, O'Brien, Osceola, Page, Palo Alto, Plymouth, Pocahontas, Polk, Pottawattamie, Poweshiek, Sac, Shelby, Sioux, Story, Tama, Webster, Winnebago, Woodbury, Wright.
- Illinois: Bureau, Cass, Champaign, Christian, DeWitt, Douglas, Edgar, Ford, Fulton, Grundy, Iroquois, Kankakee, Kendall, Knox, LaSalle, Lee, Livingston, Logan, McLean, Macon, Marshall, Mason, Menard, Morgan, Moultrie, Peoria, Piatt, Putnam, Sangamon, Scott, Stark, Tazewell, Vermilion, Will, Woodford.
- Indiana: Benton, Fountain, Jasper, Montgomery, Newton, Pulaski, Starke, Tiptecanoe, Vermillion, Warren, White.

Name of Producer	Address of Producer	Number of Cribs Contracted	Estimated Number of Bushels Contracted
T O T A L S			

State _____
County _____

Report No.

[illegible]

WAR FOOD ADMINISTRATION
COMMODITY CREDIT CORPORATION
CORN PURCHASE FORM 4 (1945)

STATEMENT OF CORN DELIVERED IN
PURCHASE PROGRAM

Farm Serial No. _____
County _____
State _____

Name of Seller _____

Address _____

Grade Class and Moisture	Bushels Contracted	Amount Advanced	Bushels Delivered	Per Bushel Value of Corn Delivered	Total Value of Corn Delivered
(1)	(2)	(3)	(4)	(5)	(6)

TOTALS

Amount Due Seller - Total Col. 6 Less Total Col. 3 \$ _____

Amount Due C.C.C. - Total Col. 3 Less Total Col. 6 \$ _____

Grain Delivered to _____

Location _____

Date Received _____

Immediate Shipment ☐

Country Warehouse Storage ☐

We, the Seller and Receiver of this corn, do jointly agree that the grade, moisture, and bushels of corn as stated herein are correct to the best of our knowledge and belief.

Approved - Member of County Comm. _____

Signature of Seller of Corn _____

Address _____

Date _____

Signature of Receiver of Corn _____

Address _____

INSTRUCTIONS TO WAREHOUSEMEN

This form shall be completed after all the corn contracted by the seller has been delivered. A separate line shall be used for each grade of corn delivered by the seller.

Enter the name of the county and State where the corn was contracted in the upper right hand corner.

Enter the name and address of the seller.

Column 1 - Enter the grade, class and moisture of corn delivered.

Column 4 - Enter the number of bushels delivered.

Enter the name and location of the country warehouse and date corn is received.

Check whether corn is being received for immediate shipment or for country warehouse storage.

Form must be signed by seller and receiver in the space provided.

(Where corn is being received for CCC bin storage, the above instructions will also be used by county committees, except as indicated below:

Column 1 - Enter the grade analysis received from the testing laboratory.

In the space provided for "Grain Delivered to" and "Location", enter (Name of County) County Committee and location of bin site.)